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BEFORE THE ARIZONA CORPORATION COMMISSION

AZ CORP COMMISSION

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IN THE MATTER OF U S WEST
COMMUNICATIONS, INC.'S
COMPLIANCE WITH SECTION 271
OF THE TELECOMMUNICATIONS
ACT OF 1996

Docket No. T-00000A-97-0238

NOTICE OF FILING

The Arizona Corporation Commission Staff, by its undersigned attorneys, hereby
files the Arizona Corporation Commission Staff Report on the Process Issues Raised by the
Competitive Local Exchange Carriers.

RESPECTFULLY SUBMITTED this 25th day of January, 2000.

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were filed this 25th day of January,
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CERTIFICATE OF SERVICE

Copies of the foregoing "Notice of Filing" were mailed this 25th day of January,

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ARIZONA CORPORATION COMMISSION STAFF
REPORT ON
THE PROCESS ISSUES RAISED BY THE
COMPETITIVE LOCAL EXCHANGE CARRIERS

January 25, 2000

I. Introduction

In a December 22, 1999 letter to the Arizona Corporation Commission ("Commission") Staff¹, AT&T Communications of the Mountain States, Inc. ("AT&T"), TCG Phoenix ("TCG"), MCI WorldCom, Inc., on behalf of its regulated subsidiaries ("MCI"), Sprint Communications Company, L.P. ("Sprint") and Rhythms, Inc. ("Rhythms")(collectively the "CLECs") raised concerns regarding the openness of certain aspects of the Arizona Section 271 operational support systems ("OSS") testing process. The concerns expressed fell into three broad categories: (1) the openness of the meetings between the Commission's Third Party Test Administrator, Cap Gemini Telecommunications, Inc. ("CGT") and U S WEST; (2) the openness of meetings and interactions between U S WEST and the Commission's Third Party Test Transaction Generator, Hewlett-Packard Company, Inc. ("HP"); and (3) the process for conducting TAG meetings.

In response, on December 29, 1999, Commission Staff sent all parties a Notice of a workshop to be held on January 13, 2000 to discuss the issues raised. Parties were also given until January 10, 2000 to file written comments on AT&T's December 22, 1999 letter. Parties were asked to address in their written comments the procedures used in other states and how the Commission could best utilize its web-site as a means to expeditiously disseminate 271 testing information to the parties. On January 10, 2000, the Commission received written comments from AT&T and TCG, MCI, and U S WEST. A workshop was held as planned on January 13, 2000, to more fully discuss the openness issues raised. Representatives from AT&T and TCG, MCI, Sprint, Rhythms and U S WEST attended the workshops. In addition, representatives from the Commission's Third Party Test Administrator, CGT; Third Party Test Transaction Generator, HP; and OSS Consultant, Doherty and Company, Inc. ("DCI") were present.

Through this report, the Commission Staff has attempted to address all of the CLECs' concerns and several concerns raised by U S WEST at the January 13, 2000 workshop. As more fully discussed herein, Commission Staff adopts virtually all of the CLECs' recommendations, which were in many instances supported by U S WEST. Staff has declined at this time to open meetings between CGT and the CLECs because of legitimate blindness concerns during this initial testing phase. However, the Commission Staff will make available to U S WEST redacted minutes of those meetings and as blindness becomes less of a concern, the Commission Staff will revisit this issue and eventually open these meetings as well.

The end result of the procedures implemented herein will be an open and rigorous OSS testing process which is certainly at least as open as many of the other states examined. Together the procedures adopted will establish openness of communications as the rule, rather than the exception. Commission Staff agrees that openness to the extent established herein is vital to the credibility of the Arizona Section 271 OSS test.

¹ Letter from Richard S. Wolters, Senior Attorney-AT&T on behalf of the CLECs to Staff Counsel.

II. Discussion

A. Meetings Involving CGT

1. Meetings Between CGT and U S WEST

To-date, meetings between CGT and U S WEST have been held with representatives from the Commission Staff and/or DCI present. In addition, minutes of those meetings were taken which were then provided to the Commission Staff for review. The Commission Staff agreed to excerpt any confidential portions and disseminate the redacted version to both the CLECs and U S WEST.

The CLECs state that such a process is not open enough. They state that the Commission Staff's solution to keep minutes for distribution provides limited visibility to a closed set of meetings. The better solution, according to the CLECs, is to change the nature of the meetings to be fundamentally open meetings. AT&T Letter at p. 2.

Without a more open process, the CLECs are concerned that many issues will be discussed, debated and possibly resolved in private, outside of the formal TAG process. AT&T Letter at p. 2. The CLECs state that if they or U S WEST have concerns or issues involving any part of the test, the appropriate venue to discuss those issues or concerns is not behind closed doors in a private session with CGT but in a TAG meeting. *Id.* at p. 2. The CLECs state that discussion behind closed doors only hurts the process. *Id.* at p. 2. Finally, the CLECs argue that there is no reason for meetings between CGT and U S WEST to be private meetings. AT&T January 10, 2000 Comments. They point out that blindness is not an issue with U S WEST; that it is U S WEST's systems that are being tested; and that blindness concerns arise only with the CLEC – CGT meetings since in those meetings issues are being discussed with the CLECs that if known to U S WEST could compromise the integrity of the test.

U S WEST supports the establishment of listen lines for all regularly scheduled conference calls between CGT and U S WEST. U S WEST Comments at p. 3.

The Commission Staff notes that open meetings between the Third-Party Test Administrator and the Bell Operating Company ("BOC") are consistent with the processes used in other states. In New York, the regularly scheduled meetings between KPMG and Bell Atlantic were open for the CLECs to listen. U S WEST Comments at p. 3; MCI Comments at p. 5. In addition, in Pennsylvania, calls between KPMG and Bell Atlantic were conducted both as 2-way calls where CLECs could interact by asking questions of clarity and as calls where CLECs could listen in and then later comment in open session with KPMG and Commission Staff. MCI Comments at pp. 5-6. Florida and Texas also held their meetings involving KPMG and test participants in the open with meeting minutes distributed by e-mail. AT&T Comments at pp.3-4; MCI Comments at p. 7.

Most parties also agree that Executive Sessions could be used if the need for confidentiality arises. See AT&T Comments at p. 7.

Given the unanimous agreement of all parties on this issue, Commission Staff shall require that all regularly scheduled meetings or calls between CGT and U S WEST be henceforth open to the CLECs through the establishment of a listen line. In addition, minutes will continue to be taken of these meetings. This change in procedure shall begin immediately with a listen line established for the next regularly scheduled Weekly Schedule Report ("WSR") conference call between CGT and U S WEST. The Commission Staff will e-mail TAG members the date and time of the call and the listen line number for the call. In addition, on a going forward basis, the WSR conference call and any other conference calls or meetings scheduled between U S WEST and CGT shall be noticed and a listen line established for the CLECs. The CLECs shall also be allowed to submit comment on these calls to the CGT Project Manager and all TAG team members within two (2) days of each call.

The only contacts between CGT and U S WEST that shall not be subject to this openness requirement will be unscheduled, incidental contacts. However, in all such cases CGT shall advise Staff if possible of any such contacts before they occur and Commission Staff and/or its Consultant DCI shall participate in and CGT shall take minutes of such calls. The CLECs shall subsequently be apprised of all calls or contacts and the purpose of them at the next regularly scheduled TAG meeting. The CLECs shall also be apprised of any conclusions reached in those calls or contacts. The rule, however, will be one of openness and Staff expects such incidental contacts to be kept to an absolute minimum, with virtually all issues involving U S WEST discussed in either the regularly scheduled call with U S WEST, or the TAG as appropriate.²

Commission Staff affirmatively states that it wants to avoid the problems encountered in other jurisdictions including Texas, where MCI indicates Telcordia met with SWBT many times without the CLECs' knowledge or documentation. In addition, the Commission Staff wants to avoid problems also encountered in Texas where SWBT was called upon by the Third Party Test Administrator to provide information and technical assistance which the CLECs were unaware of; were not apprised of the information provided; and had no input relating to it. See MCI Comments at p. 9. The parties, however, must understand that some routine, incidental contacts are simply part of the testing process and it would not be feasible each time such a contact is made for Staff or any other party to be part of all such calls. However, in such cases, Staff believes CGT's reporting on such incidental contacts at each TAG meeting should suffice to ensure the degree of openness desired yet also ensure that test activities are not unnecessarily impeded.

Executive Sessions between CGT and U S WEST will be necessary to discuss such issues as the Company's assessment of competitive market transaction volumes regarding capacity tests and the programming and system design of U S WEST's

² For instance, MCI notes that in Pennsylvania, the PaPUC supported CLEC participation in calls addressing metrics, billing, use of GUI and defining some processes.

performance measurements computer systems for data collection and processing. However, like the procedures used in Pennsylvania, the Commission Staff will attempt to manage the Executive Sessions between CGT and U S WEST that are necessary to protect U S WEST's confidential business matters. To the extent possible, all Executive Sessions shall be noticed with the topics to be addressed made available to the CLECs. The CLECs shall be kept generally informed of all topics discussed at all such Executive Sessions. Once again, the Commission Staff and/or its Consultant DCI shall take part in and CGT shall keep minutes of all such Sessions and to the extent they can without divulging proprietary data, report any conclusions of those Sessions at the next regularly scheduled TAG meeting.

Staff believes that implementing the openness procedures outlined above should continue to make what Staff believes has been a very open test from the start even more open and rigorous. Staff does not believe that the test has been compromised in any fashion up to this time since the test is still in its initial phases, the MTP has not yet been finalized and Staff and/or its Consultant, DCI, have been present on all calls between CGT and U S WEST to-date. Minutes have been taken of many of these calls, and these minutes will be made available, in redacted form, to all parties, as requested by MCI at the January 13, 2000 workshop.

2. Meetings Between CGT and the CLECs

All parties are not in agreement that meetings between CGT and the CLECs should be open. See, MCI January 10, 2000 Comments. While AT&T supports openness to some extent, it also states that "as the process is meant to be blind only to U S WEST, having CGT-CLEC meetings remain in their present form does not do anything to undercut the process." AT&T December 22, 1999 Letter to Staff Counsel at p. 3. U S WEST, on the other hand, states that all meetings between CGT and the CLECs should be open to U S WEST through a listen line. U S WEST Comments at p. 3. U S WEST states that if there is a need to discuss items beyond the hearing of one or more parties, the remaining parties can go into Executive Session at the end of the call. *Id.* at p. 3.

It is not apparent from the comments filed, that such meetings were open to the BOC in other states. Indeed, in some instances, particularly in the early testing stages as here, it appears that the meetings were closed. AT&T notes that in New York and Pennsylvania, there was provision made for meetings between CLECs and KPMG that excluded the Bell Atlantic company representatives. AT&T Comments at p. 8. AT&T states that the Staffs believed it appropriate that CLECs not be impeded from fully discussing concerns with test and live transaction processing and that KPMG would benefit from direct interaction with CLECs. The meetings were held weekly for New York testing, with one meeting per month held in person. AT&T Comments at p. 8. Meeting minutes were distributed to all interested parties, except Bell Atlantic. *Id.* at p. 9. AT&T also states that the need to maintain blindness to U S WEST throughout the process is critical to the credibility of the test. If U S WEST were able to recognize OSS transactions that emanate from the test as distinguished from live transactions from

CLECs in production environments, U S WEST would be positioned to discriminately provide preferential processing of the test transactions.

Further, AT&T points out that testing in Texas, New York and Pennsylvania brought to light the need to establish blindness principles that hid information from the incumbent LEC that could have created the opportunity for preferential treatment of test orders. AT&T Comments at p. 10. Examples cited by AT&T included loop hot cuts in New York which AT&T states were coordinated between KPMG and participating CLECs so that observations could be made of Bell Atlantic's provisioning of the cut-over process without prior notice to Bell Atlantic. Id. The test results noted by KPMG were provided to the New York Commission Staff for review and verified against the experiences of other CLECs. Id.

The blindness concern extends to CLEC meetings in that CLECs must interact with CGT on matters involving coordination of CLEC facilities that are used in the course of the test, scheduling of personnel, test transaction generation and volume increases. AT&T Comments at pp. 9-10. Other reasons for closed meetings between CGT and the CLECs include the need to maintain blindness of test activities to U S WEST. In addition, many of the closed sessions between CGT and the CLECs will involve discussions concerning CLEC forecast information, CLEC resources to perform certain parts of the test, and other issues where matters that affect blindness will be discussed. See AT&T December 22, 1999 letter to Staff Counsel at p. 2.

Given all of the concerns relating to blindness at this stage of the testing process, Commission Staff believes the disadvantages of open CLEC – CGT meetings at this time far outweigh any advantages presented to Commission Staff. The same need for openness is not present in the case of the CGT-CLEC meetings as it is with the CGT – U S WEST meetings. Indeed, the need for closed CGT – CLEC meetings to ensure blindness is of paramount importance at this early stage of the testing process. Commission Staff will manage these meetings to ensure that any issues which arise, or conclusions reached, that do not require blindness will be brought back to the TAG for an open discussion with U S WEST present. In addition, Commission Staff will ask CGT to take minutes of these meetings, which Staff will make available to U S WEST, in redacted format to ensure blindness. As blindness becomes less of a concern, Commission Staff will revisit this issue and will eventually open the meetings to U S WEST through the establishment of a listen line.

Finally, with regard to scheduled meetings or calls between CGT and the Pseudo-CLEC, Commission Staff has requested that minutes be kept of all such interactions. Commission Staff will distribute the minutes of such meetings, with any confidential portions redacted, to the CLECs for informational purposes. For obvious blindness reasons, the Commission Staff cannot include U S WEST in the distribution of those minutes at this time. However, Staff expects that the bulk of these contacts will occur during the testing process itself. During the testing process itself, incidents or exceptions that arise will be documented on the Master Issues Log and provided to U S WEST and all other parties.

B. Meetings Between HP and U S WEST

At the outset, Commission Staff notes that there is apparently a great deal of confusion and misunderstanding surrounding the rules of operation the Commission Staff has asked HP to follow. See AT&T December 22, 1999 Letter to Staff Counsel at p. 3. Commission Staff will attempt to address those concerns herein, but will first address the issue of whether meetings between HP and U S WEST should be open, and if so, to what extent.

The CLECs state that one of their primary concerns is that the interactions between U S WEST and HP will occur totally outside of their view. AT&T December 22, 1999 Letter to Staff Counsel at p. 3. They go on to state that it was their understanding that at the December 13 TAG meeting the Commission Staff attempted to mitigate the CLECs' concerns about HP's selection as the pseudo-CLEC by assuring the CLECs that U S WEST's interactions with HP would be open. Id. at p. 3. The CLECs give two primary reasons why the interactions between U S WEST and HP should be made public. First, an open process permits CLECs to evaluate whether the treatment and assistance that U S WEST provides HP as a pseudo-CLEC is superior to the treatment and assistance that U S WEST has provided to CLECs in general. Id. at p. 4. Otherwise, HP will have no reference point regarding the treatment and assistance that U S WEST typically provides to the CLECs. Id. The second reason is that U S WEST may offer HP a "better mouse trap", in which case that offer should be made public and available to the CLECs as well. Id.

U S WEST responds that this issue presents a conflict between blindness and openness but that if it is the consensus opinion of the CLECs, U S WEST will support the decision to have the process open rather than blind. U S WEST Comments at p. 4. U S WEST further states that having the process open rather than blind is probably the most practical solution. Id. at p. 4.

The procedures used in other states support openness of contacts between HP and U S WEST. The CLECs note that in New York, all meetings between HP and Bell Atlantic were publicly noticed, a conference bridge was established for the meetings, and CLECs could listen in to the discussions. Meeting minutes were kept and were posted on a public Internet web page, and all documents exchanged between HP and Bell Atlantic were also posted on a public Internet web page. AT&T December 22, 1999 Letter to Staff Counsel at p. 4. AT&T also notes that all materials provided to HP by Bell Atlantic in regard to the HP role were identified and documented on the New York Commission's web site with links to Bell Atlantic's site that held the technical documents. Id. at p. 7. The CLECs endorse the New York process for purposes of the Arizona OSS test. Id. at p. 4.

Once again, given the consensus of all parties for openness of HP – U S WEST contacts, Commission Staff will require that henceforth all calls and meetings between HP and U S WEST be open to the CLECs through the establishment of a listen line, with

the exception of incidental contacts.³ This will extend to contacts involving both HP and U S WEST's account representative as well as any contacts relating to the establishment of HP's EDI interface. This process shall begin immediately. Executive Sessions may be utilized when the information exchanged is interface specific, i.e., IP addresses for ftp locations, passwords, SecurID modules, etc. However, the CLECs will be apprised of the topics of discussion at any closed sessions either through notice or at the next regularly scheduled TAG meeting.

Commission Staff believes that implementation of these procedures at this time will preserve the integrity of the Arizona test. Indeed, the Arizona test is still in its early stages. In New York, the listen line was first established for HP's initial contact with Bell Atlantic's account representative. While an account representative was recently assigned to HP in Arizona, Commission Staff has asked HP to delay contacting the U S WEST representative until openness procedures could be established and put into place. As in New York, HP's first contact with the U S WEST account representative will be the "watershed" event at which time a listen line will become the rule of practice rather than the exception to that rule. Notice will be given of the date and time of this call to all parties, via e-mail. On subsequent notices, the Staff and its consultants will attempt to provide notice both through e-mail and on the Commission's web-site. Staff and its consultants will not always be able to give the amount of notice desirable in all cases, and expects parties to be flexible in this regard.

The other issues of concern raised involved HP's obligation to keep minutes of its meetings with U S WEST and to make publicly available any documents or information exchanged between HP and U S WEST. AT&T Letter at p. 3. The Commission Staff wants to set the record straight in this regard that HP has been documenting all of its contacts with U S WEST, keeping Staff apprised of all such contacts on a continuing basis, taking minutes of those meetings and HP intends to make available to the CLECs any documents or information exchanged between it and the Company, as was the process in other states. Moreover, HP shall continue to take these steps in the future. In addition, HP shall be required to report at each TAG meeting any incidental contacts made and the subject of those contacts.

C. TAG MEETINGS

The third and final issue raised by the CLECs involved the processes used to conduct the current TAG meetings which the CLECs state are too restrictive, too short in duration and do not occur frequently enough. AT&T December 22, 1999 Letter to Staff Counsel, at p. 5. The CLECs go on to state that while nobody likes to have more meetings and longer meetings, in order to do justice to the evaluation of U S WEST's OSS and mitigate any delays to the overall testing schedule, as a rule, there should be two face-to-face TAG meetings every other week each lasting for at least two full days. Id.

³ The Commission's consultant has raised several administrative and legal issues regarding this procedure. The Commission intends to address these issues with the TAG members this week. Parties should realize that to address some of these concerns, implementation of this process may result in blindness giving way to openness to some degree.

at p. 6. Further, the CLECs take issue with limiting input to one core representative per party and with forbidding the participation of outside persons via a conference bridge. Id. at p. 6. The CLECs state that for some issues, it may make sense for the parties to have subject matter experts other than core TAG members participating. They go on to state that the parties should be able to have subject matter experts participate in TAG meetings via conference call. Id. at p. 6.

U S WEST concurs that the restrictions placed on current TAG meetings need to be relaxed. U S WEST Comments at p. 5. U S WEST proposes that: 1) the rule that only the designated representative of a company can speak be eased and that for each issue a company should be allowed to designate a spokesperson, 2) discussion should not be cut off until all parties have had an opportunity to provide any and all input, 3) the meetings should be open to all interested parties, and 4) documents should be distributed to all persons attending TAG meetings, not just to one designated representative per company. Id. All in all, U S WEST suggests that the rules governing the TAG process be eased. Id. at p. 6.

Once again, given the unanimous opinion of all parties that the rules governing current TAG meetings be eased, Commission Staff and its consultants will make every attempt to accommodate the parties' desires in this regard. Henceforth, there will be two regularly scheduled, face-to-face TAG meetings per month. Topics for discussion at the next TAG meeting will be discussed and TAG participants can decide at that time how long they believe the next meeting should last. CGT has never strictly enforced the designated TAG spokesman rule and has generally allowed input from anyone in attendance. This will continue so that input can be freely offered by those present at the TAG meetings. CGT will only enforce a designated spokesman rule if the process is abused. Parties will also be allowed to have subject matter experts participate in the future by conference bridge.

An issue was also raised by AT&T regarding the distribution of meeting minutes to core TAG members only. AT&T suggested that such limited distribution of meeting minutes presented problems when the core TAG members were on vacation or sick since they are responsible for disseminating the information to other participants within their respective organizations. To address this concern, CGT will begin e-mailing minutes and meeting notices to not only the designated core TAG member, but to the designated alternate as well.

Finally, absent more compelling reasons, the Commission Staff cannot agree to open the TAG process up to any interested persons, even though they are not parties to the Arizona proceeding.⁴ Given that confidential information for Sedona project participants only is routinely distributed at TAG meetings, it would be difficult to ensure confidentiality if non-parties were present. However, Staff will allow persons other than parties to this proceeding to participate with the Commission Staff Project Manager's

⁴ The TAG meetings are, of course, open to all parties of U S WEST's Section 271 proceeding, and all of these parties may also freely participate in any meetings.

authorization.⁵ But until the Commission Staff is offered a more compelling reason for completely opening these proceedings, and a workable solution to the dilemma regarding the distribution of confidential information is found, Commission Staff cannot agree to unrestricted, open TAG meetings. Reasonable restrictions on attendance by non-parties are necessary to preserve the integrity of the test.

D. Use of the Commission's Web-Site As a Repository Of Information on U S WEST's Section 271 Compliance

Commission Staff also requested parties to comment on how the Commission could best utilize its web-site for information dissemination to the parties and interested persons. Virtually all commenters favored the use by the Commission of its web-site to disseminate information to the parties in this case. Commission Staff agrees and will henceforth use its web-site as a repository for information relating to U S WEST Section 271 compliance, including OSS testing. Staff will examine the web-sites of the other state commissions to assist it in determining what information to make available. Such information is likely to include, *inter alia*, meeting notices and minutes, issues logs, technical documentation, operating procedures and interface documentation pertaining to U S WEST's systems. The Commission Staff is also considering the use of a privacy code where blindness or confidentiality concerns are present. The Commission Staff will discuss information availability and web-site use at an upcoming TAG meeting.

III. Other Issues

Several other issues were raised by U S WEST at the January 13, 2000 workshop to which the Commission Staff would like to take this opportunity to respond. First, U S WEST has expressed several times recently that it does not believe that it is receiving the information it needs concerning the testing process to ensure that the test is being conducted properly. It is true that the Commission Staff and its consultants, in an effort to preserve blindness and ensure test integrity, have withheld information regarding certain testing activities and the project schedule from U S WEST. Because one of our primary objectives, however, is also to ensure that this test is conducted properly, Commission Staff will allow U S WEST an opportunity to present information from other states relating to the type and amount of information disseminated to the BOC as part of the OSS testing process. U S WEST may also present reasons which would support its receipt of other information not routinely made available in other states for Staff's and its consultant's review and consideration.

So that this matter can be resolved expeditiously, U S WEST will have until Tuesday, February 1, 2000 to file comments with the Commission relating to this issue. All other parties may file reply comments on or before Friday, February 4, 2000. The

⁵ For example, the Commission Staff has given authorization to the Colorado Commission, other ROC state commissions, and the Department of Justice to freely attend any meetings held. The Commission Staff will have to, in such instances, institute a process for dealing with confidential information.

Commission will consider the information presented and will to the extent possible allow U S WEST access to information to the same degree as that provided to the BOC in other states as part of the testing process, and to other information if the Company has made a persuasive showing to Staff that it should be entitled to the information. Additionally, the Company, like the CLECs, may also include comment on the topics typically included in any Executive Sessions in other states.

U S WEST also raised concerns regarding the process for escalating issues to the Commission Staff for resolution. The Commission Staff agrees with U S WEST that the Commission Staff and its Consultants, DCI, have an obligation to resolve such issues in an expeditious manner. It is the intent of the Commission Staff to do so. Accordingly, to address U S WEST's concerns in this regard, the Commission Staff has requested that a formal escalation process be put in place immediately between CGT, the Staff and its Consultants, DCI.

U S WEST and the CLECs also expressed concern that HP's issues were not included in the Master Issues Log. To the extent they are not now included, HP's issues will be included in the Master Issues Log in the future.

Finally, as a further assurance to the parties and its consultants, the Commission Staff will itself become much more proactive in the future to anticipate issues, resolve concerns expeditiously and to move the process along.

IV. Conclusion

Commission Staff commends AT&T and the other CLECs for having brought their concerns forward in an open and timely fashion. Commission Staff also commends the CLECs for the spirit of cooperation they have shown and for their significant efforts to make Arizona's test as open and rigorous as possible. Staff does not believe, that in bringing their concerns forward, the CLECs were in anyway trying to delay the process. To the contrary, had they not brought their concerns forward, the parties' continued confidence in the Arizona testing process may have been diminished and the test may not have been as rigorous as the testing done in other states to-date which all parties, including U S WEST, want to ensure. We also commend U S WEST for agreeing to openness as the general rule, rather than the exception, in its contacts with CGT and HP. This also evidences a desire on the part of U S WEST to make this an open and rigorous process. Overall, Staff is very encouraged by the cooperation shown by all parties to-date and by the tremendous progress that has been made.

While the procedures implemented herein will not be easy and will oftentimes result in a more difficult and lengthy process overall, Commission Staff strongly believes that they are necessary to preserve the integrity of the Arizona OSS test and to assure the continued confidence of the parties in our testing process. The Commission Staff will have to revisit some of these issues, as well as others, along the way to ensure that the appropriate balance of fairness and openness is achieved. Additionally, to the extent the

test is not progressing as Commission Staff believes appropriate, adjustments will have to be made. Commission Staff recognizes that this is an evolving process, which will need constant attention, oversight and adjustment. The Commission Staff and its consultants are fully committed to devoting whatever time and effort it takes to make this a successful testing endeavor from everyone's perspective. Overall, the Commission Staff and its consultants believe the procedures described herein appropriately balance the interests of all parties and will be of benefit to not only the CLECs, but to the Applicant U S WEST, once the results of the Arizona OSS test are submitted to the DOJ and FCC. However, to the extent any party is not satisfied with the Staff's resolution of these issues, they may bring their concerns back to the Staff, or to the Hearing Division, which concerns will be resolved in a timely manner.